



# Global Assets Income Paying Fund (Dollar)



## FUND FOCUS

The Global Assets Income Paying Fund or GAIN Fund is an AXA Unit-Linked Fund which provides semi-annual cash payout and primarily invests in a portfolio of securities using a multi-asset approach to manage market volatility.



## FUND SUITABILITY

Is this fund for you?

**This fund is ideal for investors who are:**

1. Seeking payout feature with a secondary focus on long-term capital appreciation
2. Looking to invest in a strategic mix of global equities and fixed income with managed risk
3. Wanting to invest in a portfolio that is diversified across major global markets



## INVESTMENT STRATEGY

What are you investing in?

1. **Multi-asset (90-100%)**
2. **Cash (0-10%)**

## Unique fund feature

The Global Assets Income Paying Fund provides payouts\* while also allowing potential gains through capital appreciation from your global investments.



## RISK PROFILE

Moderate Risk



**Higher risk** has the potential to yield higher profits down the line, but the investor deals with greater market fluctuations.

**Lower risk** usually offers slightly more conservative results but provides the investor with safe and steady growth.



## TARGET FUND INFORMATION

<b>Fund name:</b>	BlackRock Global Allocation Fund - UCITS
<b>Fund classification:</b>	Multi-asset fund
<b>Launch date:</b>	January 3, 1997
<b>Fund currency:</b>	US Dollar
<b>Fund manager:</b>	BlackRock Luxembourg (SA)

## TARGET FUND STRATEGY

The BlackRock Global Allocation Fund seeks to maximize total return by investing globally in equity, debt and short-term securities, of both corporate and governmental issuers. As well as equity securities of small and emerging growth companies and possibly high yield fixed income too.

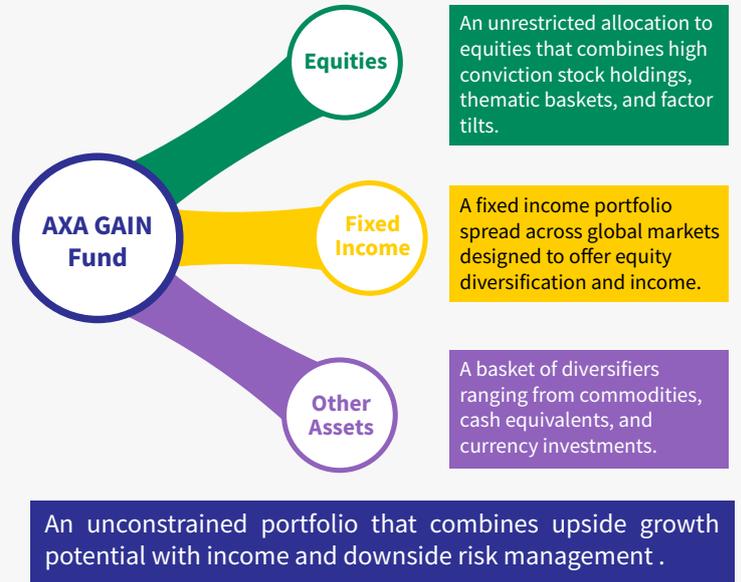
# A diversified portfolio invested across markets

The Fund is well-diversified and has the ability to flexibly invest across traditional and non-traditional asset classes, sectors, and across a broad investment universe – constantly seeking an appropriate balance of risk and return.

## AXA Gain Fund Portfolio Philosophy

The GAIN Fund is a multi-asset fund that takes advantage of the diversification across multiple global asset classes and currencies. The Fund is managed by AXA Philippines and takes after the philosophy of its underlying fund, **Blackrock Global Allocation Fund**. Allocation is dynamically managed to best respond to any market condition.

As a result, the AXA GAIN Fund leverages the benefits of the multiple asset classes within its portfolio.

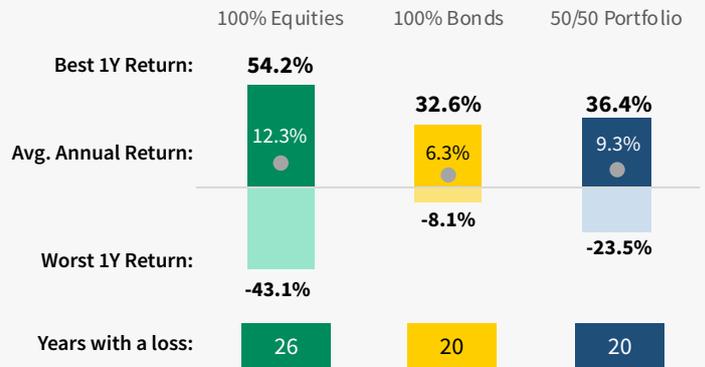


- ✓ **Equities** provide strong growth or upside potential
- ✓ **Fixed Income** provides steady returns and defensive positioning
- ✓ **Other Assets** provide alternative alpha or returns

## Diversification is key to your investments

- Equities add the **long-term growth potential** to your portfolio.
- Bonds provide **regular cash flows** to your investment and have a **low correlation to equities**.
- Having a mix of both means you are taking advantage of the **upside from equities**, while also having an element of **stability and diversification with bonds**.

## US Equities and Bonds Markets History (1926-2021)



Source: Vanguard

## Managing downside risk alongside returns performance

The Blackrock Global Allocation Fund has been able to provide positive returns performance during periods of market recovery, while also protecting from the downside through different global market crises. This allows investors to remain invested across different market cycles.

■ Initial AXA GAIN target fund

	Technology Bubble 2000-2002	Global Market Recovery 2003-2007	Global Credit Crisis 2008-2009	Global Market Recovery 2010-2019	Coronavirus Pandemic 2020-6/30/22	Combined Period 2000-6/30/22
■ Blackrock Global Allocation Fund	0.05%	119.18%	-4.31%	69.68%	7.34%	282.17%
■ Reference Benchmark	-16.88%	79.67%	-6.87%	102.44%	4.43%	193.99%
■ Global Equities	-39.56%	133.92%	-20.59%	149.61%	12.39%	214.53%
■ PH Equities	-50.16%	307.06%	-7.99%	222.28%	-17.21%	398.07%
■ Morningstar Peer Group	-14.22%	49.16%	-13.12%	46.42%	4.17%	69.53%

# Risk Disclosures

Before investing into any variable life insurance product, you should carefully consider whether the transaction is appropriate for you in light of your objectives, experience, financial and liquidity resources, along with other relevant circumstances. In this regard, you should undergo a client suitability assessment to gauge whether this product is appropriate for you. You should ensure that you fully understand the nature and extent of your exposure to the risk of loss prior to investing in this product. The AXA Global Assets Income Paying Fund (“AXA GAIN Fund”) is **suitable for clients with a moderate risk profile and who adopt a medium to long term investment horizon view**. AXA GAIN Fund is subject to certain risks such as, but not limited to: investment, market, credit, currency, interest rate, liquidity, commodity, hedging, taxation, and regulatory risks.

AXA Philippines is the Fund Manager of the AXA GAIN Fund. Currently, the AXA GAIN Fund is mainly exposed to BlackRock’s Global Allocation Fund. As the Fund Manager, AXA Philippines **reserves the right to switch** AXA GAIN Fund’s allocation into the other funds approved by the Insurance Commission such as the New Capital Strategic Portfolio Fund and the Janus Henderson Balanced Fund.

As a prospective policy owner, you should be aware that the guaranteed life insurance coverage paid will be unaffected by the payouts, so long as the policy remains in-force. The guaranteed life insurance coverage is equal to 125% of the initial single premium paid plus 125% of each subsequent top up premium less 125% of each partial withdrawal.

The AXA GAIN Fund provides a **non-guaranteed**, payout feature that distributes a certain amount to the policy owner, credited directly to their nominated bank account, on every payout date. The payout is computed as the product of the stated payout rate and the client’s account value invested in AXA GAIN Fund at the dividend declaration date. Since AXA GAIN Fund is a marked-to-market, multi-asset global fund, its net asset value may rise or fall depending on the movements in global equity, bond, FX, and other financial markets. Consequently, the payout amounts may vary. Furthermore, AXA Philippines reserves the right to reduce or even zero out the payout rate during periods of severe negative fund returns or in cases of fund suspension. In the event of redemption of units, a policy holder may receive an amount less than the original amount invested due to the decline in account value and/or the deduction of surrender charges.

Also, the depletion of the original amount invested may happen if the underlying fund’s rate of return could not support the payout rate and asset management charges. The policy may terminate if your account value is no longer enough to cover the policy charges.

**Important to note as well that for prospective clients who will avail the Peso denominated AXA GAIN Fund, they will be subject to further FX risk.** Their account values will be impacted not only by the movements in the value of the underlying fund but also by the USD/PHP exchange rate.

We especially caution prospective **clients who are 50 years old and above**. Due to the higher cost of insurance for this age group, there is a **heightened risk of account depletion and policy termination**. Furthermore, attachment of riders will also diminish the account value.

This brief statement does not purport to disclose all of the risks in availing this variable life insurance product. Asset management charges will apply and will affect your account value. You should refrain from investing into this fund unless you fully understand all such risks and have independently determined that the fund is appropriate for you.

## DISCLOSURE REGARDING THE PAYOUT FEATURE OF THE FUND

The fund aims to payout based on a pre-determined frequency. Initial target payout rate of the Fund is 4% annually (2% semi-annually). However, the payout and the payout rate are not guaranteed.

**Payout formula: Payout Amount = Account Value x Payout Rate\***  
(on declaration date)

Example	Payout Formula	Payout Amount
<b>Payout Rate:</b> 4% annualized (2% semi-annual) <b>Payout frequency:</b> Semi-annual <b>Launch Date:</b> Aug. 19, 2022 <b>Declaration Date:</b> Feb. 20, 2023 <b>Account Value:</b> \$20,000 (on Declaration Date)	\$20,000 x 2%* *Rate based on payout frequency	\$400 (1st semi-annual payout)

## Sample illustration of fund payout:

Launch Date	Aug. 19, 2022
Declaration Date	Feb. 20, 2023
Payout Date	Mar. 20, 2023
Valuation Date	Feb. 20, 2023
NAVPU at valuation	\$2.0
Payout Rate (s.a.)	2%

<b>Launch Date</b>	– Fund launch date
<b>Declaration Date</b>	– 6 months after the launch of the fund and every 6 months thereafter
<b>Payout Date</b>	– Within 20 business days after the Declaration Date
<b>Valuation Date</b>	– Date on which the Net Asset Value of the fund is determined

### SCENARIO A: Without withdrawal within 6 months

Policy Number	Fund In		Fund Out		Net NAV			Pre-Defined Rate	Payout amount as of latest transaction date
	Transaction Date	Units	Transaction Date	Units	Units	NAVPU	NAV		
570-1234	Oct. 7, 2022	10,000		—	10,000	\$2.00	\$20,000.00	2%	\$400.00

### SCENARIO B: With withdrawal within 6 months

Policy Number	Fund In		Fund Out		Net NAV			Pre-Defined Rate	Payout amount as of latest transaction date
	Transaction Date	Units	Transaction Date	Units	Units	NAVPU	NAV		
570-1234	Oct. 7, 2022	10,000	Oct. 27, 2022	7,000	3,000	\$2.00	\$6,000.00	2%	\$120.00

### SCENARIO C: With top-up within 6 months

Policy Number	Fund In		Fund Out		Net NAV			Pre-Defined Rate	Payout amount as of latest transaction date
	Transaction Date	Units	Transaction Date	Units	Units	NAVPU	NAV		
570-1234	Oct. 7, 2022	10,000		—	10,000	\$2.00	\$20,000.00	2%	\$400.00
570-1234	Oct. 27, 2022	3,000			3,000	\$2.00	\$6,000.00	2%	\$120.00
Total payout amount									\$520.00

### Important disclosures:

- The illustrated payouts above do not consider the unit deductions for other product-related charges.
- This investment fund is not a deposit product and is not insured by the Philippine Deposit Insurance Corp. (PDIC). Earnings are not assured and principal amount invested is exposed to risk of loss. This product cannot be sold to you unless its benefits and risks have been thoroughly explained. If you do not fully understand this product, do not purchase, or invest in it.
- Results presented in this brochure are not guaranteed and are for illustrative purposes only.
- Financial product/s of AXA Philippines is/are not insured by the PDIC and is/are not guaranteed by Metrobank.
- The fund figures reflected in this document are not indicative of future performance. Potential investors should be aware that the price of units per share and the potential income from them may go up or down depending on market fluctuations, and thus are not guaranteed. The figures are exclusive of charges which will vary depending on the AXA product where this fund will be used. You can also get more information at <http://www.axa.com.ph>.

## Definition of Terms:

### **Investment risk**

Probability or likelihood of losses related to the expected return on an investment made

### **Credit risk**

Exposure to the general credit risk of the insurer including the risk that the insurer was to become insolvent or defaults on its obligations (*including payment obligations*) under the transaction

### **Currency risk**

Exposure to change in price of currency related to an investment made which can create unpredictable profits or losses

### **Emerging Market**

Are those developing nations that are becoming more and more engaged with global markets as they grow. Countries classified as 'emerging market economies' are those that have some, but not all, of the characteristics of a developed market. Examples of countries under emerging markets are Argentina, Brazil, China, India, Indonesia, Mexico, Poland, South Africa, South Korea and Turkey. Egypt, Iran, Nigeria, Pakistan, Russia, Saudi Arabia, Taiwan, and Thailand.

### **Interest rate risk**

Probability of a decline in the value of an asset resulting from unexpected fluctuations in interest rates

### **Mark-to-market risk**

The value of financial assets determined by their market prices. The fluctuations of the market prices of these assets translate to a market gain or loss. This possible gain or loss of the asset is called mark-to-market risk.

### **Payout**

Periodic disbursements provided to investors in the form of cash dividends

### **Regulatory risk**

The risk that a change in laws and regulations which can materially impact businesses, sectors, or markets related to the investments made

### **Taxation risk**

Possibility that tax rules may change resulting in losses due to higher-than-expected taxes

### **Hedging risk**

Risk where hedging instruments do not precisely reduce the downtrend of the asset being hedged

### **Commodity risk**

A risk where investors are subjected to price movement of commodity. For commodity-linked derivatives, this also exposes the investor to default risk, liquidity risk, and higher volatility (*for index-linked instruments*)